

1 H.91

2 Introduced by Representatives Christie of Hartford, Anthony of Barre City,
3 Burrows of West Windsor, Campbell of St. Johnsbury, Feltus of
4 Lyndon, Houghton of Essex, Notte of Rutland City, Savage of
5 Swanton, Scheuermann of Stowe, Sims of Craftsbury, Sullivan
6 of Dorset, Walz of Barre City, and Wood of Waterbury

7 Referred to Committee on

8 Date:

9 Subject: Education; public schools; school finance and financial data
10 management system; suspension; Statewide Finance and Financial
11 Data Management System Advisory Group

12 Statement of purpose of bill as introduced: This bill proposes to suspend
13 implementation of the statewide finance and financial data management system
14 pending a review of its functionality by the Statewide Finance and Financial
15 Data Management System Advisory Group, which includes school business
16 managers, and further legislative action to reinstate its implementation.

17 An act relating to the suspension and review of the statewide finance and
18 financial data management system

1 It is hereby enacted by the General Assembly of the State of Vermont:

2 Sec. 1. FINDINGS AND PURPOSE

3 (a) Sec. E.500.1 of 2018 Acts and Resolves No. 11 (Sp. Sess.), as amended,
4 requires that not later than July 1, 2022 all Vermont supervisory unions,
5 supervisory districts, school districts, and independent tech center districts
6 utilize the same school finance and financial data management system
7 (eFinance), which shall be selected by the Agency of Education per State
8 procurement guidelines.

9 (b) RHR Smith & Co. performs more than half of all school district audits
10 in the State. In a letter dated October 6, 2020 from RHR Smith & Co. to a
11 school district that was in the first round of eFinance implementation, RHR
12 Smith & Co. found that “many basic accounting needs that any fiscal software
13 should be able to handle, are just not available in eFinance. This increases the
14 burden on staff to manually complete accounting work increasing risk for
15 errors and staff burnout. Additionally it requires more staff time and overall
16 makes the daily fiscal routine more cumbersome when compared to other fiscal
17 software we see or that are currently utilized by your peers.”

18 (c) Because eFinance is designed to be a finance and financial data
19 management system used by all school districts, these comments raise concern
20 that its functionality should be examined and improved prior to being
21 implemented across the State.

1 (d) The purpose of this act is to suspend implementation of eFinance
2 pending a review of its functionality by the Statewide Finance and Financial
3 Data Management System Advisory Group created by this act, which includes
4 school business managers.

5 Sec. 2. SUSPENSION OF IMPLEMENTATION OF STATEWIDE

6 FINANCE AND FINANCIAL DATA MANAGEMENT SYSTEM

7 Notwithstanding Sec. E.500.1 of 2018 Acts and Resolves No. 11
8 (Sp. Sess.), as amended, the implementation of the statewide school finance
9 and financial data management system shall be suspended until further
10 legislative action is taken to reinstate its implementation.

11 Sec. 3. STATEWIDE FINANCE AND FINANCIAL DATA

12 MANAGEMENT SYSTEM ADVISORY GROUP

13 (a) Creation. There is created the Statewide Finance and Financial Data
14 Management System Advisory Group (Advisory Group) to consider and make
15 recommendations on the implementation of the statewide school finance and
16 financial data management system (eFinance) required under Sec. E.500.1 of
17 2018 Acts and Resolves No. 11 (Sp. Sess.), as amended.

18 (b) Membership. The Advisory Group shall be composed of the following
19 13 members:

20 (1) the Executive Director of the Vermont Superintendents Association
21 or designee;

1 (2) the Executive Director of the Vermont School Boards Association or
2 designee;

3 (3) the Secretary of Education or designee;

4 (4) the President of the Vermont Association of School Business
5 Officials or designee;

6 (5) six public school business managers selected by the Vermont
7 Association of School Business Officials, representing school districts from
8 across the State and including not less than three school business managers
9 who have experience with implementing eFinance for their school districts;

10 (6) two individuals who are certified public auditors selected by the
11 Vermont Association of School Business Officials; and

12 (7) the Secretary of the Agency of Digital Services or designee.

13 (c) Powers and duties. The Advisory Group shall consider and make
14 recommendations on the implementation of eFinance, including:

15 (1) its operating system and how it interacts with other school operating
16 systems;

17 (2) its bank reconciliation functionality;

18 (3) its general ledger reconciliation functionality;

19 (4) its financial software and reporting functions; and

20 (5) the availability of and need for training and technical support by
21 school districts.

1 (d) Assistance. The Advisory Group shall have the administrative,
2 technical, and legal assistance of the Agency of Education.

3 (e) Meetings.

4 (1) The President of the Vermont Association of School Business
5 Officials shall call the first meeting of the Advisory Group to occur on or
6 before August 1, 2021.

7 (2) The Chair of the Advisory Group shall be the President of the
8 Vermont Association of School Business Officials or designee.

9 (3) A majority of the membership shall constitute a quorum.

10 (4) The Advisory Group shall cease to exist on January 16, 2022.

11 (f) Reports. On or before January 15, 2022, the Advisory Group shall
12 submit a written report to the House and Senate Committees on Education with
13 its findings and recommendations.

14 (g) Reimbursement. Members of the Advisory Group who are not
15 employees of the State of Vermont and who are not otherwise compensated or
16 reimbursed for their attendance shall be entitled to per diem compensation and
17 reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than
18 eight meetings.

19 (h) Appropriation. The sum of \$8,000.00 is appropriated for fiscal year
20 2022 from the General Fund to the Agency of Education to provide funding for
21 per diem compensation and reimbursement under subsection (g) of this section.

1 Sec. 4. EFFECTIVE DATE

2 This act shall take effect on passage.